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FROM/THRU

American Embassy, Tripoli

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DECLASSIFIED BY DEPARTMENT OF STATE, WASHINGTON, 77

RELEASE DENIED

REF or ROI CA-3266 Nov. 16, 1954; CA-4370 of Jan. 7, 1955; Umbtel 224 of Dec. 16, 1954; Deptel 274 of Jan. 21, 1955; Deptel 338 of Mar. 4, 1955; 4FSM 221.3

|           |        |                         |
|-----------|--------|-------------------------|
| For Dept. | ACTION | DEPT.                   |
| Use Only  | REC'D  | OTHER                   |
| 6/2       | 6/2    | FOA-10 TR-3 OSD-4 Cio-5 |

SUBJECT: Submission for Departmental Approval of Agreed Text of General Agreement for Technical Cooperation Between the United States and Libya

## JOINT EMBASSY-USOM/L COMMUNICATION

There are forwarded herewith in English and in Arabic the agreed text of the Draft General Agreement for Technical Cooperation Between the Government of the United States of America and the Government of the United Kingdom of Libya and the agreed texts of a note and two memoranda of understanding ancillary thereto. It will be noted that all deviations from the original text of the draft general agreement as forwarded by the Department with CA-3266 of November 16, 1954 have been underlined for the Department's convenience. The following comments are in order:

1. Article I, Paragraph 2. While the Embassy feels, and so contended in the negotiations, that the amendment is unnecessary since Libya, as a sovereign nation, has the right to declare any foreign official persona non grata and demand his removal, the Libyans feared that without this proviso, the sentence could be interpreted as a forfeiture or limitation of such right after the Government had once agreed to the acceptability of an official. The Libyans originally suggested that the paragraph should include a provision for the disciplining and dismissal of personnel but quickly receded from this position when assured that under the program agreements the Libyans would have coequal authority with the Americans in the appointment and discharge of personnel of the cooperative services. The concern of the Libyans in this matter reflects their displeasure at their inability to force USOM/L to discharge a Jewish doctor who had been hired locally. (See letter of February 23, 1955 from Charles Stokes, Acting Director to Adele Boke, Libyan/North African Desk Officer, O/NEA.) The Embassy and USOM/L do not believe that the proviso gives the Libyans any right they do not already possess and therefore have no objection to it.

2. Article I, Paragraph 5. The words "the program" have been substituted for the word "that" to coincide with a clarification of an ambiguity in the Arabic.

3. Article II, Paragraph 1(b). The Libyans regarded the original draft wording as somewhat repugnant, since it seemed to demand information regarding Libya's relations with other countries, and desired new language to soften the

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tone. The Embassy pointed out that it is a matter of continuing concern to the United States Government that its technical assistance program in Libya be closely coordinated with other such programs and that this could not be accomplished without full information on all activities in this field. The Libyans wholeheartedly agreed and suggest that the language refer in some way to the need for coordination.

4. Article III, Paragraph 2. It will be recalled that in its telegram No. 227 of December 16, 1954, the Embassy suggested that the phrase "except as may otherwise be agreed between the two governments" be deleted since it appeared to be an open invitation to the Libyans to suggest exceptions. In telegram No. 274 of January 21, 1955 the Department concurred. In the negotiations, however, the Libyans objected to granting full exemptions to the Palestinian members of the USOM/L staff but consented to accord them exemptions on the basis of the "first arrival" principle as included in the Base Agreement. The deleted phrase was therefore restored and the "first arrival" principle was set forth in the attached memorandum of understanding.

The phrase "or their private motor vehicles" was added on the advice of the Libyan Director of Customs who was doubtful that "personal or household goods" would be construed to include private automobiles.

The word "movable" was added to clarify the distinction in Arabic between real and personal property.

5. Article V, Paragraph 4. The changed wording in this article was provided by the Department in its telegram No. 274 of January 21. Authorization to change April 30 to June 30, 1955 was given by the Department in its telegram No. 338 of March 4, 1955. The word "(LATAS)" has been added by the Embassy for clarification.

The wording of the attached memorandum of understanding on this paragraph, as proposed in the Department's telegram No. 338, does not appear to coincide with the meaning of the paragraph as revised by Department telegram No. 274 since the one states that all projects which have not been expressly extended by June 30 shall terminate while the other states that program and project agreements shall continue in effect unless otherwise agreed. In view of the late date, it would appear that the proposed memorandum of understanding would now have no practical or useful effect and the Embassy and USOM/L recommend that, rather than take the time to clarify the text, the memorandum be abandoned entirely.

6. The text of the attached draft note is that provided by the Department in CA-4370 of January 7, 1955. It is presumed that any change in the name of the implementing U. S. agency will be communicated through the Embassy to the Libyan Government after the beginning of the fiscal year.

#### Action Requested

It would be appreciated if the Department would cable its concurrence in

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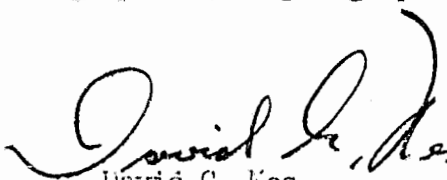
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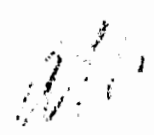
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the agreed draft at the earliest possible date (See 4FSM221.2 and 221.3) as well as instructions concerning the Embassy-USOM/L proposal to abandon the memorandum of understanding on Article V, Paragraph 4 (See paragraph 5 above).

For the Ambassador:

  
David G. Kes  
First Secretary of Embassy

✓ Enclosures: 

1. English version of the Draft General Agreement for Technical Cooperation between the Government of the United States of America and the Government of the United Kingdom of Libya.

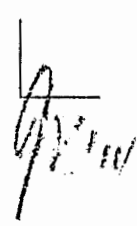
Draft Memorandum of Understanding.

Draft Memorandum of Understanding.

Draft Note.

2. Arabic version of the above.

cc: Benghazi

  
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GENERAL AGREEMENT  
FOR TECHNICAL COOPERATION  
BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA  
AND  
THE GOVERNMENT OF THE UNITED KINGDOM OF LIBYA

The Government of the United States of America and the Government of the United Kingdom of Libya,

Considering that the peoples of the United States and of Libya have a common interest in economic and social progress and that their cooperative efforts to exchange technical knowledge and skills will assist in achieving that objective, and

Considering that the interchange of technical knowledge and skills will strengthen the mutual security of both peoples and develop their resources in the interest of maintaining their security and independence, and

Considering that the Government of the United States and the Government of Libya have agreed to join in promoting international understanding and good will and in maintaining world peace, and to undertake such action as they may mutually agree upon to eliminate causes for international tension,

Have agreed as follows:

ARTICLE I. TECHNICAL COOPERATION PROGRAMS AND PROJECTS

1. The Government of the United States and the Government of Libya undertake to cooperate with each other in the interchange of technical knowledge and skills and in related activities designed to contribute to the balanced and integrated development of the economic resources and productive capacities of Libya.

The furnishing of any technical assistance by the Government of the United States to the Government of Libya under this agreement will be based on requests to be made by the Government of Libya and approved by the Government of the United States, and will be subject to the terms and conditions prescribed by any applicable United States legislation. The obligations of the Government of the United States in connection with the activities conducted pursuant to this Agreement shall be carried out by such agency or agencies as that Government may designate for that purpose.

2. The Government of Libya agrees to receive personnel to be provided by the Government of the United States and acceptable to the Government of Libya, who will discharge the responsibilities of the Government of the United States under this agreement; provided, that the stay in Libya of any

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individual brought into Libya by the Government of the United States for the purposes of this Agreement shall be contingent upon his continuing acceptability to the Government of Libya. The Government of the United States may constitute such personnel as a mission which shall bear such title as the Government of the United States may designate and which may be headed by an official who shall be selected and assigned by, and whose title shall be designated by, the Government of the United States. The Government of Libya will give full cooperation to such personnel and provide them such access within Libya as may be necessary for observation and survey of the carrying out of this Agreement, including the use of assistance furnished under it.

3. Particular technical cooperation programs and projects may be carried out pursuant to the provisions of such separate written agreements or understandings as may be concluded between the two Governments. Such subsidiary agreements may be executed by representatives of any agency of the Government of the United States referred to above and of any agency of the Government of Libya or by other duly designated representatives of the respective Governments. These agreements may establish such administrative arrangements and agencies, and may make provision for such contributions on behalf of the two Governments as may be necessary and consistent with the laws of the two countries. Program and project agreements may include provisions relating to policies, administrative procedures, the disbursement of and accounting for funds, the contributions of each party to the cost of the program or project, the furnishing of detailed information of the character described in Article II, paragraph 1, and such other matters as may be considered appropriate.

4. The Government of Libya through its duly designated representatives, in cooperation with duly designated representatives of the Government of the United States and with representatives of appropriate international organizations, will endeavor to achieve to the maximum extent possible full coordination and integration of all technical cooperation programs which may be carried on in Libya.

5. The Government of Libya will cooperate in the mutual exchange of technical knowledge and skills with other countries participating in technical cooperation programs associated with the program carried on under this Agreement.

6. The Government of Libya will endeavor to make effective use of the results of technical cooperation programs and projects carried on in Libya in cooperation with the Government of the United States.

7. The Government of Libya agrees to bear a fair share of the cost of technical cooperation programs and projects.

#### ARTICLE II. INFORMATION AND PUBLICITY

1. The Government of Libya will communicate to the Government of the United States in a form and at intervals to be mutually agreed upon:

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- a. Information concerning projects, programs, measures and operations carried on under this Agreement, including a statement of the use of funds, materials, equipment, and services provided thereunder;
- b. Information regarding technical assistance which has been or is being requested of other countries or of international organizations insofar as such information is needful or appropriate to the implementation of Article I, Paragraph 4 of this Agreement.

2. Not less frequently than once a year, the Governments of the United States and Libya will make public in their respective countries periodic reports on the technical cooperation programs carried on pursuant to this Agreement. Such reports shall include information as to the use of funds, materials, equipment and services.

3. The Governments of the United States and Libya will endeavor to give full publicity to the objectives and progress of the technical cooperation program carried on under this Agreement.

#### ARTICLE III. RIGHTS AND EXEMPTIONS

1. Any supplies, materials, equipment or funds introduced into Libya by the Government of the United States for purposes of any program or project conducted pursuant to this Agreement shall be admitted into Libya free of any customs duties and import taxes and shall be exempt from any other taxes, service charges, investment or deposit requirements, and currency controls.

2. All personnel (other than citizens and residents of Libya) whether employees of the Government of the United States, individuals and employees of public or private organizations under contract with the Government of Libya or its agencies or the Government of the United States or its agencies, who are present in Libya to perform work in connection with this Agreement and whose entrance into the country has been approved by the Government of Libya, shall be exempt from income and social security taxes levied under the laws of Libya with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States, from property taxes on personal movable property intended for their own use, and, except as may otherwise be agreed between the two Governments, from the payment of any tariff or duty upon personal or household goods or their private motor vehicles brought into Libya for the personal use of themselves and members of their families; provided that such exemption from any tariff or duty shall not apply to such personal or household property or private motor vehicles which any of such personnel may sell in Libya to any persons not entitled to such exemptions.

#### ARTICLE IV. EXCHANGE AND PROTECTION OF UNITED STATES FUNDS

1. Funds introduced into Libya by the Government of the United States for purposes of this Agreement may be converted into Libyan pounds at the

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highest rate of Libyan pounds to United States dollars which, at the time the conversion is made, is not unlawful.

2. The two Governments will establish procedures whereby the Government of Libya will so deposit, segregate or assure title to all funds allocated to or derived from any United States aid program that such funds shall not be subject to garnishment, attachment, seizure or other legal process by any person, firm, agency, corporation, organization or government.

#### ARTICLE V. GENERAL PROVISIONS

1. This Agreement shall enter into force on the date on which it is signed. It shall remain in force until 90 days after the receipt by either Government of notice in writing of the intention of the other to terminate the Agreement.

2. The two Governments shall, upon the request of either of them, consult regarding any matter relating to the application or amendment of this Agreement.

3. Subsidiary program and project agreements and other agreements and arrangements which may be concluded may remain in force beyond any termination of this Agreement, in accordance with such arrangements as the two Governments may make.

4. This Agreement supersedes the Point Four Agreement for Technical Cooperation between the United States and Libya, signed at Tripoli on January 21, 1952. Program and project agreements subsidiary to the Point Four Agreement of January 21, 1952 shall, however, continue in effect in accordance with their terms unless otherwise agreed, except that provisions therein inconsistent with this agreement or relating to the Libyan-American Technical Assistance Service (LATAS) shall be of no further force and effect after June 30, 1955. Unexpended balances of funds contributed to LATAS in accordance with the Point Four agreement of January 21, 1952 and program and project agreements subsidiary thereto shall on June 30, 1955 revert to the respective contributors for use, unless otherwise agreed, for the purpose for which contributed; other remaining assets of LATAS shall be transferred to the Government of Libya or such other entities as may be agreed by authorized representatives of the Governments of the United States and Libya for use, unless otherwise agreed, for purposes stated in the afore-mentioned Point Four Agreement and program and project agreements subsidiary thereto.

5. This Agreement is complementary to and does not supersede existing agreements between the two Governments except as provided in paragraph 4 of this Article and except insofar as other agreements are inconsistent herewith.

DONE in duplicate, in the English and Arabic languages, at Tripoli, this \_\_\_\_\_ day of \_\_\_\_\_ 1955.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

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Ambassador of the United States of America

FOR THE GOVERNMENT OF THE UNITED KINGDOM OF LIBYA

Minister of Foreign Affairs

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MEMORANDUM OF UNDERSTANDING

With respect to the General Agreement for Technical Cooperation Between the Government of the United States of America and the Government of the United Kingdom of Libya signed at Tripoli on \_\_\_\_\_, 1955, hereinafter referred to as "the Agreement", the Government of the United States of America and the Government of the United Kingdom of Libya have reached the following understanding:

It has been provided in Article V, paragraph 4 of the Agreement that all projects now being carried on by LATAS which have not, by June 30, 1955, been expressly extended shall terminate. It is contemplated that the period until that date is necessary to complete arrangements for projects to be carried out under this agreement, but every effort will be made to complete such arrangements prior to that time.

Done in duplicate at Tripoli in the English and Arabic languages, both texts being equally authentic, the \_\_\_\_\_ day of \_\_\_\_\_, 1955.

For the Government of the United States of America:

For the Government of the United Kingdom of Libya:

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MEMORANDUM OF UNDERSTANDING

With respect to the General Agreement For Technical Cooperation Between the Government of the United States of America and the Government of the United Kingdom of Libya signed at Tripoli on \_\_\_\_\_, 1955, hereinafter referred to as "the Agreement", the Government of the United States of America and the Government of the United Kingdom of Libya have reached the following understanding concerning Article III of the Agreement:

It is the intention of both Governments that the exemption from the payment of any tariff or duty upon personal or household goods or private motor vehicles, as provided in Paragraph 2 of Article III of the Agreement, shall be limited with respect to non-American personnel to personal or household goods or private motor vehicles brought into Libya at the time of their first arrival or at the time of the first arrival of their dependents to join them; provided, that in general the term "first arrival" shall be interpreted to include a period of up to one year following the arrival of such non-American personnel, or following that of their dependents, whichever is later.

Done in duplicate at Tripoli in the English and Arabic languages, both texts being equally authentic, the \_\_\_\_\_ day of \_\_\_\_\_, 1955.

For the Government of the United States of America:

For the Government of the United Kingdom of Libya:

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Excellency:

I have the honor to refer to the General Agreement for Technical Cooperation between our two Governments which was signed at Tripoli on \_\_\_\_\_, 1955.

I have the further honor to inform your Excellency's Government that my Government has, pursuant to paragraph 1 of Article I of that Agreement, designated the Foreign Operations Administration as the agency which will carry out the obligations of my Government pursuant to the Agreement; and also that, pursuant to paragraph 2 of Article I, my Government has designated the group of technicians and specialists to be provided by my Government as the "United States Operations Mission to Libya" and will use the title of "Director" for the official heading of that Mission. The Foreign Operations Administration will carry out its activities in Libya through the above-mentioned Mission.

Accept, Excellency, the renewed assurances of my highest consideration.

His Excellency

Mustafa ben Halim,

Prime Minister and Minister of Foreign Affairs  
of the United Kingdom of Libya,  
Tripoli.

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